

Let's Hear It for the Multiple Listing Service: The Best Tool for Buyers & Sellers

We hear a lot about “off-MLS” sales of homes, particularly by investors. Investors love to buy homes off the MLS, but they turn to the MLS to sell the homes they bought. Prospective sellers should read that sentence again, because it says everything you need to know about the value of the MLS: **Buyers can pay less if the seller doesn't put their home on the MLS; and sellers net more money by putting their home on the MLS.**

Investors know they would pay “market value” for MLS listings, because that's what the MLS is — **it's the market!** Investors know they'll be competing with other buyers if the home is on the MLS. That's why they find the homes they buy by soliciting homeowners who do not have their home on the market.

They make an appealing pitch — no showings, no open houses, and a

quick cash closing. Remember, **investors are in business to make a profit**, and the only way to make a profit is by paying you less than your home is worth by buying it **off** the MLS, and then selling it **on** the MLS.

Now, if money doesn't matter that much to you — for example, you're the personal representative of an estate, but you're not a beneficiary — that's probably an attractive pitch. After all, it's not your money! But, if it's your house and your money, just know that you'll make more money from the sale of your house if you let a professional like one of the agents at Golden Real Estate expose your home to the full market — which is only accomplished by putting the home on the MLS.

I have written in the past about “iBuyers,” such as Open Door, which buy homes off the MLS, then flip them with minimal improvement by listing them on the MLS.



You can find columns on that topic dated Jan. 2, 2020, and Aug. 22, 2019, at JimSmithColumns.com, where all these columns are archived. In those columns I point out that the iBuyer companies typically convince homeowners to meet with them by offering a high sight-unseen price, which is thousands above what they finally offer the seller. It's a bait and switch approach, so beware!

The essence of the MLS is “cooperation and compensation.” Sellers hire a listing agent for a negotiable commission — currently averaging under 6 percent — which is large enough for the listing agent to compensate another MLS member for producing the buyer of that listing.

There's an understandable misconception that the seller pays both the listing agent and the buyer's agent and that somehow that's unfair — that the buyer should pay his or her own agent.

But, although it may look as if the seller is paying both agents —

because it is taken from the seller's proceeds at closing — in fact, as I said above, the listing agent is paying the buyer's agent out of his or her listing commission.

The MLS is at the heart of making the real estate market work efficiently to expose listings to the full universe of buyers. No other industry that I can think of works as well as the real estate industry, because no other industry has an MLS.

Last year, the National Association of Realtors introduced the Clear Cooperation Policy to make the MLS system work even better, telling participating Realtors, in effect, that if they want to be a member of the MLS, they must commit to giving fellow members a reasonable opportunity to find and sell their listings.

That policy has yet to achieve its goal because some MLS members find a way around it so they can sell their listings without sharing their commission with other MLS members. Golden Real Estate's agents, however, are in full compliance.

Foothills Home on .88 Acres Listed by Chuck Brown

Live closer to the things you love about Colorado in this spacious 3-bedroom/3-bath raised ranch at **199 Lake Front Drive, Black Hawk**. It's on .88 acres and is in a neighborhood that borders the Arapaho National Forest near Golden Gate State Park, with hiking, biking and ATV trails. Eldora ski area and the gaming areas of Black Hawk and Central City are a short drive away. You'll enjoy beautiful views of Missouri Lake, Echo Mountain, and Mt. Evans or the diverse wildlife from the large deck or inside the home. The Gilpin County School (K-12) is a half mile away, and the impressive Gilpin County Recreation Center is 3 miles away. It's an easy commute to the metro area or an awesome space to work from home with reliable high speed internet. Inside you'll love the openness of the main level with a large kitchen space that flows into the dining and living rooms with big windows and lots of natural light. The large primary bedroom has an en suite bath and a sliding glass door that leads to the covered patio. The main guest room also has its own bathroom. There is a lower level with a 2-car garage and a room with enough space for a home gym, art studio or extra storage. **Open House on Saturday, 11-2.** More photos, details and narrated video tour can be found at www.BlackHawkHome.online.



CRES 'Teach-In' This Saturday on Clean Energy

The Colorado Renewable Energy Society (CRES) is hosting a 1-day conference this Saturday, August 6th, “**Renewables Powering Forward: Solutions for Our Clean Energy Transformation.**” It runs from 9am to 5pm at the Jefferson Unitarian Church, 14350 W. 32nd Ave., Golden.

This conference is designed to illustrate key elements of today's clean energy solutions. We are fortunate to have the National Renewable Energy Lab and the Colorado School of Mines and many energy innovation entrepreneurs and proactive political leaders.

Keynote speakers include Hunter Lovins, and there will be sessions on solar power, home electrification and micro-grids. A light breakfast and lunch are provided, and all sessions will be recorded.

Tickets are as low as \$25, with a

virtual ticket for viewing the conference online available at \$35. Learn more and register online at cres-energy.org/cres-conference-2022.

Realtor Magazine Promotes EVs in a 4-Page Article

The summer 2022 edition of *Realtor Magazine* focuses on sustainability, and one of its articles is titled “Learning to Love EVs.” I'll post a link to it online at www.GoldenREblog.com.

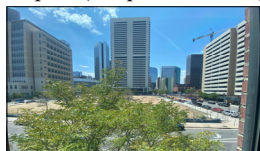
The article encourages NAR's one million members to make their next car electric, but omits one selling point I take advantage of every April — I deduct over \$10,000 for business mileage even though the cost of charging is near zero thanks to an abundance of free charging stations.

New: Downtown Denver Loft w/ 3 Garage Spaces



If you're looking for loft living, this is as good as it gets! Walk to EVERYTHING in Downtown Denver from this 1,170-sq.ft. loft at **2000 Arapahoe Street #204** — Coors Field, Performing Arts Complex, 16th Street Mall, Lodo, Union Station, shopping, restaurants, and light rail, including the A-line to DIA. The 12-foot ceilings and four massive pillars, plus the views of nearby skyscrapers (see picture below)

— this is the loft life you've been looking for! The loft comes with three garage spaces which you could rent out for \$150 to \$200 each, too! This is a rare opportunity, so act fast. No open houses. Call your agent or Jim Smith for a private showing! See more pictures at www.DenverLoft.info.



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